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JAN 26 1993

In the Matter of Final and Binding	:	WISCONSIN EMPLOYMENT RELATIONS COMMISSION
Final Offer Arbitration Between	:	
PALMYRA-EAGLE EDUCATION ASSOCIATION	:	
and	:	AWARD
PALMYRA-EAGLE SCHOOL DISTRICT	:	No. 27376-A
Case 17 No. 47424 INT/ARB-6460	:	

I. HEARING. A hearing in the above entitled matter was held on November 12, 1992, at the District offices of the Palmyra-Eagle School District, Palmyra, Wisconsin. Parties were given full opportunity to give testimony, present evidence and make argument. Briefs were exchanged on December 24, 1992, and Reply Briefs on January 9, 1993.

II. APPEARANCES.

ALICE O'MAHAR, UniServ Director, Capital Area UniServ-North, appeared for the Association.

MELLI, WALKER, PEASE & RUHLY, S.C., by JAMES K. RUHLY, Esq., appeared for the District.

III. NATURE OF PROCEEDING. This is a proceeding in final and binding final offer arbitration under Section 111.70 (4) (cm) 6 of the Wisconsin Statutes. The Palmyra-Eagle Education Association (PEEA) on May 13, 1992, filed a petition with the Wisconsin Employment Relations Commission alleging that an impasse existed between it and the Palmyra-Eagle Area School District (District or Board) in collective bargaining. Colleen A. Burns, a member of the Commission's staff, investigated the matter for the Commission and reported that the parties were deadlocked. The Commission concluded that the parties substantially complied with the procedures set forth in Section 111.70 (4) (cm) of the Municipal Employment Relations Act, certified that the conditions precedent to the initiation of arbitration as required by Section 111.70 (4) (cm) 6 had been met and ordered arbitration for a final and binding award on September 2, 1992. The parties having selected Frank P. Zeidler, Milwaukee, Wisconsin, as arbitrator, the Commission issued an order of appointment on September 23, 1992. The hearing thereafter followed pursuant to the Order.

IV. FACTORS CONSIDERED BY THE ARBITRATOR. Under Section 111.70 (4) (cm) 7 of the Wisconsin Statutes, the following factors are to be considered by the arbitrator:

"7. Factors considered. In making any decision under the arbitration procedures authorized by this paragraph, the arbitrator shall give weight to the following factors:

"a. The lawful authority of the municipal employer.

"b. Stipulation of the parties.

"c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.

"d. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services.

"e. Comparison of the wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes generally in public employment in the same community and in comparable communities.

"f. Comparison of the wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes in private employment in the same community and in comparable communities.

"g. The average consumer prices for goods and services, commonly known as the cost-of-living.

"h. The overall compensation presently received by the municipal employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

"i. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

"j. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment."

V. FINAL OFFERS. The instant matter relates to re-opening an existing agreement of 1991-1993 between the parties, for one matter only, that of wages. Wages are determined in a salary grid on the basis of an index after the base wage is settled. In the agreement of 1991-1993 the index for the year 1992-1993 was agreed to, but the wage item resulting from that index was not filled in, and left to negotiations in 1992 as a re-opener. (AX 2, page 27).

The final offers of the parties as submitted to the Wisconsin Employment Relations Commission are shown herewith including costs and percentage increases.

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AUG 21 1992

EDUCATION ASSOCIATION

PALMYRA-EAGLE EDUCATION ASSN
FINAL OFFER
AUGUST 19, 1992
SALARY

THE SALARY SCHEDULE FOR THE 1992-92 SCHOOL YEAR SHALL HAVE AN
INDEX BASE OF \$21,145 (SEE ATTACHED).

Palmyra-Education Education Assn
 Final Offer August 19,1992
 Costing Summary

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 Palmyra Education Association

Summary

Salary

Year	Base	Sal Total	% Sal. Inc.	Aver. Salary
Base Year	\$19,179.50	\$2,811,335.52		
First Year	\$20,264.00	\$3,021,608.84	7.4795%	\$31,698.24
Second Year	\$21,145.00	\$3,188,215.05	5.5138%	\$33,446.02

Salary And Benefits Total Cost

Year	Total Cost	% Inc.	Aver. Salary	Aver. Inc.
Base Year	\$3,809,743.47			
First Year	\$4,032,634.39	5.8505%	\$42,304.42	\$2,338.24
Second Year	\$4,333,835.10	7.4691%	\$45,464.17	\$3,159.75

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 cost increase \$301,200.71
 =====

Total Cost Including Extra Curricular cost

Year	Total Cost	% Inc.	Dollar Increase
90/91	\$3,882,859.36		
91/92	\$4,110,027.96	5.8505%	\$227,168.60
92/93	\$4,415,760.14	7.4387%	\$305,732.18

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 Total Cost Including Extra Curricular and Summer School
 =====

Year	Total Cost	% Increase	Dollar Increase
90/91	\$3,970,444.17		
91/92	\$4,202,736.96	5.8505%	\$232,292.79
92/93	\$4,513,580.95	7.3962%	\$310,844.00

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AUG 21 1992

Palmyra-Eagle Education Assn
Final Offer August 19, 1992
Salary Schedule

Second Year

Base Salary		92/93											FTE Total Row Totals	
BA	BA	BA+6	BA+12	BA+18	BA+24	BA+30	MA/BA+36	MA+6	MA+12	MA+18	MA+24			
1	Index	1.00	1.03	1.05	1.08	1.10	1.13	1.15	1.18	1.21	1.24	1.27		
	Salary	21145.00	21673.63	22202.25	22730.88	23259.50	23788.13	24316.75	24951.10	25585.45	26219.80	26854.15		
	# at Step	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Step Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	Index	1.03	1.05	1.08	1.10	1.13	1.15	1.18	1.21	1.24	1.27	1.30		
	Salary	21673.63	22202.25	22730.88	23259.50	23788.13	24316.75	24845.38	25479.73	26114.08	26748.43	27382.78		
	# at Step	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Step Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Index	1.06	1.08	1.11	1.13	1.16	1.18	1.21	1.24	1.27	1.30	1.33		
	Salary	22307.98	22836.60	23365.23	23893.85	24422.48	24951.10	25479.73	26114.08	26748.43	27382.78	28017.13		
	# at Step	3.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	89760.53
	Step Total	66923.93	22836.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Index	1.09	1.12	1.14	1.17	1.19	1.22	1.24	1.27	1.30	1.33	1.36		
	Salary	23048.05	23576.68	24105.30	24633.93	25162.55	25691.18	26219.80	26854.15	27488.50	28122.85	28757.20		
	# at Step	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	47153.35
	Step Total	0.00	47153.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Index	1.13	1.16	1.18	1.21	1.23	1.26	1.28	1.31	1.34	1.37	1.40		
	Salary	23893.85	24422.48	24951.10	25479.73	26008.35	26536.98	27065.60	27699.95	28334.30	28968.65	29603.00		
	# at Step	1.00	1.00	1.00	0.00	0.00	0.00	0.75	0.00	0.00	0.00	0.00	3.75	93566.63
	Step Total	23893.85	24422.48	24951.10	0.00	0.00	0.00	20299.20	0.00	0.00	0.00	0.00	0.00	0.00
6	Index	1.18	1.20	1.23	1.25	1.28	1.30	1.33	1.36	1.39	1.42	1.45		
	Salary	24845.38	25374.00	25902.63	26431.25	26959.88	27488.50	28017.13	28651.48	29285.83	29920.18	30554.53		
	# at Step	0.00	1.00	1.03	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	4.03	105367.12
	Step Total	0.00	25374.00	26602.00	26431.25	26959.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Index	1.23	1.25	1.28	1.30	1.33	1.35	1.38	1.41	1.44	1.47	1.50		
	Salary	25902.63	26431.25	26959.88	27488.50	28017.13	28545.75	29074.38	29708.73	30343.08	30977.43	31611.78		
	# at Step	2.00	0.00	1.00	1.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	4.50	120790.81
	Step Total	51805.25	0.00	26959.88	27488.50	0.00	0.00	14537.19	0.00	0.00	0.00	0.00	0.00	0.00
8	Index	1.28	1.31	1.33	1.36	1.38	1.41	1.43	1.46	1.49	1.52	1.55		
	Salary	27065.60	27594.23	28122.85	28651.48	29180.10	29708.73	30237.35	30871.70	31506.05	32140.40	32774.75		
	# at Step	0.00	0.75	0.80	0.00	1.00	0.00	1.50	0.00	0.50	0.00	0.00	4.55	133483.10
	Step Total	0.00	20695.67	22498.28	0.00	29180.10	0.00	45356.03	0.00	15753.03	0.00	0.00	0.00	0.00
9	Index	1.34	1.37	1.39	1.42	1.44	1.47	1.49	1.52	1.55	1.58	1.61		
	Salary	28334.30	28862.93	29391.55	29920.18	30448.80	30977.43	31506.05	32140.40	32774.75	33409.10	34043.45		
	# at Step	0.00	1.00	0.00	1.00	0.00	0.90	1.00	0.00	0.50	0.00	0.00	4.40	134556.21
	Step Total	0.00	28862.93	0.00	29920.18	0.00	27879.68	31506.05	0.00	16387.38	0.00	0.00	0.00	0.00
10	Index	1.41	1.43	1.46	1.48	1.51	1.53	1.56	1.59	1.62	1.65	1.68		
	Salary	29708.73	30237.35	30765.98	31294.60	31823.23	32351.85	32880.48	33514.83	34149.18	34783.53	35417.88		
	# at Step	0.00	2.00	2.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25	4.44	136681.67
	Step Total	0.00	60474.70	67352.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8854.47	0.00	0.00

Revised
August 1992

FINAL OFFER

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AUG 24 1992

BOARD OF EDUCATION

WISCONSIN EDUCATION
RELATIONS BOARD

PALMYRA-EAGLE AREA SCHOOL DISTRICT

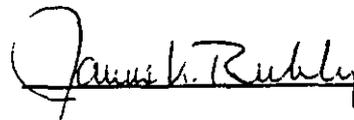
for 1992-93 school term

Pursuant to Reopener provision in 1991-93 CBA

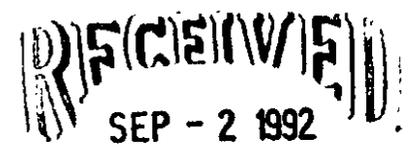
Salary schedule for the 1992-93 school year which, in conjunction with health and dental insurance premiums and other benefit costs and roll-ups, results in a total package increase percentage (as per Appendix A-1, page 27 of 1991-93 COLLECTIVE BARGAINING AGREEMENT) of 6.4986% (base salary of \$20,937).

Dated this 21st day of August 1992.

Respectfully submitted,



James K. Ruhly, attorney
Board of Education



 SEP - 2 1992

Second Year

Base Salary 20937.00 92/93

**WISCONSIN EMPLOYMENT
 RELATIONS COMMISSION**

	BA	BA+6	BA+12	BA+18	BA+24	BA+30	MA/BA+36	MA+6	MA+12	MA+18	MA+24	FTE Total	Row Totals
1 Index	1.00	1.03	1.05	1.08	1.10	1.13	1.15	1.18	1.21	1.24	1.27		
Salary	20937.00	21460.43	21983.85	22507.28	23030.70	23554.13	24077.55	24705.66	25333.77	25961.88	26589.99		
# at Step	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Step Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2 Index	1.03	1.05	1.08	1.10	1.13	1.15	1.18	1.21	1.24	1.27	1.30		
Salary	21460.43	21983.85	22507.28	23030.70	23554.13	24077.55	24600.98	25229.09	25857.20	26485.31	27113.42		
# at Step	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Step Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3 Index	1.06	1.08	1.11	1.13	1.16	1.18	1.21	1.24	1.27	1.30	1.33		
Salary	22088.54	22611.96	23135.39	23658.81	24182.24	24705.66	25229.09	25857.20	26485.31	27113.42	27741.53		
# at Step	3.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		4.00
Step Total	66265.61	22611.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		88877.57
4 Index	1.09	1.12	1.14	1.17	1.19	1.22	1.24	1.27	1.30	1.33	1.36		
Salary	22821.33	23344.76	23868.18	24391.61	24915.03	25438.46	25961.88	26589.99	27218.10	27846.21	28474.32		
# at Step	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		2.00
Step Total	0.00	46689.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		46689.51
5 Index	1.13	1.16	1.18	1.21	1.23	1.26	1.28	1.31	1.34	1.37	1.40		
Salary	23658.81	24182.24	24705.66	25229.09	25752.51	26275.94	26799.36	27427.47	28055.58	28683.69	29311.80		
# at Step	1.00	1.00	1.00	0.00	0.00	0.00	0.75	0.00	0.00	0.00	0.00		3.75
Step Total	23658.81	24182.24	24705.66	0.00	0.00	0.00	20099.52	0.00	0.00	0.00	0.00		92646.23
6 Index	1.18	1.20	1.23	1.25	1.28	1.30	1.33	1.36	1.39	1.42	1.45		
Salary	24600.98	25124.40	25647.83	26171.25	26694.68	27218.10	27741.53	28364.95	28997.75	29625.86	30253.97		
# at Step	0.00	1.00	1.03	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00		4.03
Step Total	0.00	25124.40	26340.32	26171.25	26694.68	0.00	0.00	0.00	0.00	0.00	0.00		104330.64
7 Index	1.23	1.25	1.28	1.30	1.33	1.35	1.38	1.41	1.44	1.47	1.50		
Salary	25647.83	26171.25	26694.68	27218.10	27741.53	28264.95	28788.38	29416.49	30044.60	30672.71	31300.82		
# at Step	2.00	0.00	1.00	1.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00		4.50
Step Total	51295.65	0.00	26694.68	27218.10	0.00	0.00	14394.19	0.00	0.00	0.00	0.00		119602.61
8 Index	1.28	1.31	1.33	1.36	1.38	1.41	1.43	1.46	1.49	1.52	1.55		
Salary	26799.36	27322.79	27846.21	28369.64	28893.06	29416.49	29939.91	30568.02	31196.13	31824.24	32452.35		
# at Step	0.00	0.75	0.80	0.00	1.00	0.00	1.50	0.00	0.50	0.00	0.00		4.55
Step Total	0.00	20492.09	22276.97	0.00	28893.06	0.00	44909.87	0.00	15598.07	0.00	0.00		132170.05
9 Index	1.34	1.37	1.39	1.42	1.44	1.47	1.49	1.52	1.55	1.58	1.61		
Salary	28055.58	28579.01	29102.43	29625.86	30149.28	30672.71	31196.13	31824.24	32452.35	33080.46	33708.57		
# at Step	0.00	1.00	0.00	1.00	0.00	0.90	1.00	0.00	0.50	0.00	0.00		4.40
Step Total	0.00	28579.01	0.00	29625.86	0.00	27605.43	31196.13	0.00	16226.18	0.00	0.00		133232.60
10 Index	1.41	1.43	1.46	1.48	1.51	1.53	1.56	1.59	1.62	1.65	1.68		
Salary	29416.49	29939.91	30463.34	30986.76	31510.19	32033.61	32557.04	33185.15	33813.26	34441.37	35069.48		
# at Step	0.00	2.00	2.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25		4.44
Step Total	0.00	59879.82	66689.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8767.37		135337.16

11 Index	-----	-----	1.53	1.55	1.58	1.60	1.63	1.66	1.69	1.72	1.75		
Salary			31928.93	32452.35	32975.78	33499.20	34022.63	34650.74	35278.85	35906.96	36535.07		
# at Step			3.00	10.00	7.00	1.50	0.00	0.00	0.00	1.00	0.25	22.75	
Step Total			95786.78	324523.50	230830.43	50248.80	0.00	0.00	0.00	35906.96	9133.77		746430.22
12 Index	-----	-----	-----	-----	-----	-----	1.70	1.73	1.76	1.79	1.82		
Salary							35592.90	36221.01	36849.12	37477.23	38105.34		
# at Step							11.00	2.60	0.00	0.00	0.00	13.60	
Step Total							391521.90	94174.63	0.00	0.00	0.00		485696.53
13 Index	-----	-----	-----	-----	-----	-----	-----	-----	1.84	1.87	1.90		
Salary									38524.08	39152.19	39780.30		
# at Step									6.50	10.05	10.75	27.31	
Step Total									250406.52	393636.12	427797.35		1071839.98

											Total	95.324188	3156853.09

VI. LAWFUL AUTHORITY. There is no issue here as to the lawful authority of the District to meet either offer.

VII. STIPULATIONS. The parties operating under an agreement which but for this issue extends from 1991-1993 have no other stipulations to consider at this time, but disagree as to whether a concept of "total package" increase was agreed to as a limiting factor.

VIII. COMPARABLE DISTRICTS. The parties are agreed that the comparable districts are those of the Rock Valley Athletic Conference. This Conference includes the districts of Brodhead, Clinton, Edgerton, Evansville, Orfordville (also known as Parkview), Palmyra-Eagle, Turner (also known as Beloit Turner), and Walworth UHS (also known as Big Foot). The Palmyra-Eagle district is not contiguous to any of the other districts. Palmyra joined the Rock Valley Athletic Conference in 1990. It was formerly in the Eastern Suburban Conference, which included the districts of Cambridge, Deerfield, Dodgeland, Hustisford, Johnson Creek, Marshall, Palmyra-Eagle, Waterloo and Williams Bay. The PEEA has some exhibits relating Palmyra to this conference. The arbitrator considers such exhibits to have a secondary value only.

The following table lists 1991-92 pupil count (ADM) and FTE:

Table I

PUPIL COUNT AND FTE AMONG RVAC DISTRICTS

	<u>1991-1992 ADM.</u>	<u>FTE as of Base Year</u>	
Brodhead	1084	84.25	1991-92
Clinton	1148	82.6	1990-91
Edgerton	1659	131.75	1990-91
Evansville	1184	101.8	1990-91
Orfordville	1090	82.2185	1991-92
Palmyra-Eagle	1218	95.324188	1990-91
Turner	947	73.633	1990-91
Walworth UHS	387	34.1375	1990-91

(UX 9, BX 6, 18A-I)

IX. COSTING. The parties differ as to how to arrive at costs and total compensation. The District includes in its costs the cost of all positions covered by the agreement, whether filled by an employee in the bargaining unit or otherwise. The Association excludes from its costs employees who are not members, even though they are in positions covered by the agreement, and which positions could be filled by bargaining unit members if members wanted the positions. The positions are in extra-curricular assignments.

The arbitrator is of the opinion that the more accurate costs are those which reflect the costs of all positions covered by the agreement, since they are costs mandated on the Employer if and when filled by any employee, Union or not.

The following tables show the costs as calculated by each of the parties:

Table II

PEEA COSTING FOR 1992-1993

Salary Only	\$3,188,215	
Aver. Salary	33,466	% Increase 5.51
Salary & Benefits	4,333,835	
Aver. Sal. & Ben.	45,464	
Aver. Inc.	3,159.75	% Increase 7.47
Total Cost w/Extra-Curricular	4,415,760	
Dollar Increase	305,732	% Increase 7.44

(Sec. V Above,
Assn. Ex. 68)

Table III

DISTRICT COSTING FOR 1992-1993

	<u>District Offer</u>	<u>PEEA Offer</u>
Salary Only	\$3,156,853	\$3,190,477
Salary Only Inc.	135,244	168,868
Extra Curricular	77,638	78,341
Total Salary	3,234,491	3,268,818
Total Salary Inc.	138,830	173,157
Total Benefits	1,161,057	1,168,090
Total Benefits Inc.	131,250	138,291
Total Package	4,393,548	4,436,908
Total Package Inc.	270,088	311,448
Aver. Total Sal. Inc.	1,456	1,817
Aver. % Inc.	4.88%	5.59%
Aver. Total Pack. Inc.	2,833	3,267
Aver. % Inc.	6.55%	7.55%

(BX 5,6)

X. COMPARISON OF WAGES ONLY. PEEA supplied an extensive number of exhibits relating to comparison of wages within the Rock Valley Athletic Association. In an average of total dollars for six benchmarks for 1992-1993, the Association offer for 1992-1993 would come to \$1,999 less than the average for the District excluding Palmyra. The Board offer would be \$2,295 less. Both offers would result in Palmyra-Eagle being in 7th rank (AX 10-11). In 1991-1992 and 1990-1991 Palmyra-Eagle ranked 7th, and the average of six benchmarks was below average (AX 12, 13).

Association Exhibits 13 and 14 showed that in 1991-1992 and 1990-1991 average salaries in the RVAC were below state averages. However in 1991-1992 the Palmyra-Eagle average of \$32,483 was above the RVAC average of \$32,432.

The Association supplied exhibits in which it showed the ranking of Palmyra-Eagle in benchmark salaries in past years and under the present offers. The following table is abstracted from Association Exhibits 16 and 17.

Table IV

RANKING OF PALMYRA-EAGLE BENCHMARK SALARIES

Bench	90-91	91-92	92-93	
			<u>Assn.</u>	<u>Bd.</u>
BA Min.	7	7	5	7
BA 7th	8	7	6	6
BA Max.	4	4	3	4
MA Min.	6	6	6	6
MA 10th	7	7	6	6
MA Max.	8	8	7	7
Sched. Max.	7	7	6	6

These rankings are confirmed by Association Exhibits 18-21 in which the dollar amounts of the salaries at the benchmarks are given.

Association Exhibits 22-25 display information on the relation of the salaries paid and offered in Palmyra-Eagle to the highest salary paid for a given benchmark in the RVAC. The relation is expressed in percentages of the highest wage. Again the Palmyra-Eagle wages are shown to have rankings near the lowest except for BA Maximum where it has a middle ranking.

Association Exhibits 26-28 gave information on dollar increases in benchmark salaries given in the RVAC for the years 1991-1992 and proposed 1992-1993 increases. the following table is derived from these exhibits.

Table V

**RANK OF PALMYRA-EAGLE IN SALARY INCREASES
AT BENCHMARKS FOR 1991-92 AND 1992-93**

Bench	1991-92	1992-93	
		<u>Assn.</u>	<u>Bd.</u>
BA Min.	1	2	3
BA 7	3	1	4
BA Max.	1	1	4
MA Min.	1	2	4
MA 10	2	1	3
MA Max.	2	2	3
Sched. Max.	3	4	4

These relationships are affirmed in Association Exhibits 29-31 where the increases are expressed in terms of percentages.

Association Exhibit 33 concerned the status of Palmyra-Eagle in its previous inclusion in the Eastern Suburban Conference. Historically in dollar ranking at benchmarks Palmyra-Eagle was in the lower ranges among 10 districts (AX 35-43). In dollar increases from 85-86 to 88-89 it went from the lower range in 86-87 to middle ranges in 88-89 (AX 44-47).

Association Exhibit 70 showed that under the Association offer Palmyra-Eagle with an increase of \$1,748 in salary per returning teacher under the Association offer in 1992-1993 ranked 6th among 7 RVAC districts where the dollars per returning teacher were known. The average increase was \$1,857. In percentage of salary increase Palmyra-Eagle at 5.51% under the Association offer was third among six districts where the percentage increase was known. The average increase in the six districts was 5.53%.

Association Exhibit 71 showed that under the Board offer, the average dollar increase would be \$1,419, an increase of 4.48%. This increase was lowest among seven districts in dollars, and lowest in percentage among six districts where the percentage increase was known. The dollar increase was \$438 below average.

In 1990-1991 and 1991-1992 the average dollar increases per returning teacher in Palmyra-Eagle were the highest at \$1,849 and \$2,206 respectively (AX 73, 72).

The following information on salary is derived from Board Exhibit 8:

Table VI

RANK OF PALMYRA-EAGLE IN SALARY INCREASE
PER SCHEDULE ONLY AND FOR TOTAL SALARY COMPARED TO
6 RVAC DISTRICTS SETTLED FOR 1992-1993

	<u>\$</u>	<u>Rank</u>	<u>%</u>	<u>Rank</u>	<u>\$</u>	<u>Rank</u>	<u>%</u>	<u>Rank</u>
P-E Board	1,419	7	4.48	7	1,456	7	4.48	7
P-E Assn.	1,772	6	5.59	5	1,817	6	5.59	4

It should be noted however that Board Exhibit 8 shows when the total package increase is considered for six settled districts, the Board dollar increase of \$2,833 is fourth and the Association offer would be first at \$3,267. In percentage increase of 6.55% the Board offer is third and the Association offer first at 7.55%. However if the Parkview Union offer prevails in the dispute at Parkview, it would exceed the Palmyra Association offer in both dollars and percentage, at \$3,426 and 7.96%.

The matter of what weight to attribute to total package increase as well as to base salary and total salary only will be discussed under the subject of Total Compensation and Other Factors later.

Board Exhibit 9 showed that in 1990-1991 the salary only increase at Palmyra-Eagle, an increase of \$1,780, ranked first among eight districts and the 1991-1992 increase of \$2,206 also ranked first. The two year average of \$1,993 also ranked first, and exceeded the two year average at the seven other districts by \$378.

Board Exhibit 10 showed that in a three year average salary only increase from 1990 to 1993, the average increase under the Palmyra Board offer would be \$1,768, or second in seven. The average increase under the Association offer at \$1,886 would be first.

The following table is derived from Board Exhibits 11-13 inclusive:

Table VII

RANK OF PALMYRA-EAGLE, 1990-1991 TO 1992-1993
IN THREE BENCHMARKS IN RVAC AT MINIMUMS AND MAXIMUMS

Bench	1990-1991 ⁽¹⁾	1991-1992 ⁽¹⁾	1992-1993 ⁽²⁾	
			Assn.	Board
BA Min.	7	7	5	7
BA Max.	4	4	3	4
MA Min.	6	6	6	6
MA Max.	8	8	7	7
MA+24				
Min.	-5	5	6	5
Max.	-7	7	6	6

(1) 8 districts

(2) 6 settled districts and Palmyra-Eagle

The following table is also derived from Board Exhibits 11-13 inclusive:

Table VIII

RANGE OF STEPS TO MAXIMUM IN COMPARABLE DISTRICTS,
HIGHEST, LOWEST AND PALMYRA-EAGLE

BA	<u>1990-1991</u>		<u>1991-1992</u>		<u>1992-1993</u>
Big Foot	20	Clinton)	11	Clinton)	11
		Turner)		Turner)	
Parkview)	5	Parkview)	5	Edgerton	5
Edgerton)		Edgerton)			
Palmyra	10	Palmyra	10	Palmyra	10
(Rank 4)		(Rank 2T)		(Rank 2T)	
<u>MA</u>					
Clinton	15	Clinton	15	Clinton	15
Evansville	9	Evansville	9	Evansville	9
Palmyra	12	Palmyra	12	Palmyra	12
(Rank 3)		(Rank 2)		(Rank 2)	
<u>MA+24</u>					
Big Foot	20	Clinton	20	Clinton	15
Evansv. (+18)	9	Evansville	9	Evansville	9
Palmyra	13	Palmyra	13	Palmyra	13
(Rank 3)		(Rank 2)		(Rank 2)	

Discussion on Wages. The Association in this matter is contending that the re-opener deals with wages only and therefore consideration should be limited to wage comparisons. The Association rejects the total package concept saying on the grounds as testified to by one of its members that it had not accepted the idea of total package comparisons for this round of bargaining as the only criterion to be used.

The District holds that the wage offers considered alone should be the basis of any decision since the parties in the past had used the total package increase as a means of making comparisons.

The arbitrator is of the opinion that he cannot consider wages in isolation to what other changes may have taken place since the previous agreement on a contract, and must consider all factors listed under the statute for arbitrators to consider. It must be pointed out, however, that while the arbitrator will therefore be considering "total package" increase, this is not the same as total compensation, which is another factor to be considered.

As for wages only, the preponderance of evidence here is that the Palmyra-Eagle wages at benchmarks have generally been in the lower rankings in the past, and will continue to be so in 1992-1993. In the 1991-1992 year, however, the average of all benchmarks at Palmyra was above the RVAC average; but with the very low offer on wages of the Board on the 1992-1993 salary at benchmarks, Palmyra-Eagle will slip back. The Board holds that the average benchmark salaries at Palmyra for 1991-1992 showed no need for a catch-up.

Now it must be recognized that benchmark comparisons have some deficiencies. These include the fact that they do not give a perfect representation of teacher advancement either in years or in credits, especially at MA Maximums and Schedule Maximums, but generally they are useful unless a specific comparison is made of teacher by teacher in each district, a major task.

However, other methods of comparison, including total package increase and total compensation have the deficiency of lumping all teachers, regardless of their placement in a salary grid and comparing them in dollar increase and percentage increase, when teachers in the lower brackets will show a higher percentage increase often than will teachers at the top of the schedule.

That said, the arbitrator is of the opinion that the Association offer on scheduled wages is more comparable to conditions in comparable districts than the District offer.

XI. COMPARISON WITH EMPLOYEES IN OTHER PUBLIC EMPLOYMENT. The District in Board Exhibit 14 supplied an affidavit of Allan Walsch, Director of Human Resources for Waukesha County. The exhibit supplied information on a settlement between Waukesha County and approximately 550 County employees who are organized under AFSCME.

The employees received an increase of wages of 4%. However with a 5.5% decrease in health insurance, the 1992 package increase was 2.7%. The 1993 wage increase was 3.6% and the total package increase was 2.3%. The two year package increase was 5.1%.

The Association is objecting to this exhibit on the grounds that the seat of none of the comparable districts is in Waukesha County and the comparable districts are mostly in Rock County. The arbitrator, however, has noted that the Eagle portion of the Palmyra-Eagle district is in Waukesha County. He considers therefore the comparison a valid one, though limited in scope. The arbitrator concludes that at least as far as this limited exhibit is concerned, the weight of comparability accrues to the District offer.

XII. COMPARISON WITH EMPLOYEES IN PRIVATE EMPLOYMENT. The parties did not address this factor.

XIII. BENEFITS - INSURANCE. The following table is derived from Association Exhibit 80.

Table IX

HIGHEST AND LOWEST HEALTH INSURANCE RATES IN
ROCK VALLEY ATHLETIC CONFERENCE AND RANK OF PALMYRA

	1990-1991		1991-1992		1992-1993	
	<u>S</u>	<u>F</u>	<u>S</u>	<u>F</u>	<u>S</u>	<u>F</u>
Highest	160.00	439.28	182.00	470.00	207.24	534.16
Lowest	99.00	223.89	120.94	289.77	139.90	347.73
Palmyra	132.75	373.89	120.94	345.16	156.70	447.26
Average w/o Palmyra	142.96	370.39	158.80	406.87	179.85	459.37
Rank of Palmyra	5	5	8	5	6	5

Discussion. It should be noted that the insurance provision of the 1992-1993 agreement is not re-opened. Nevertheless the insurance payments are entailed in this matter. Prior to the 1992-1993 negotiations, the parties received information from its carrier that the insurance rates would rise by approximately 42% unless the parties agreed to a "pre-admission review" which brought the increase down to 29.6%. The parties did so and the current rates reflect that fact. The Association however felt that the money otherwise to have been spent on the insurance 42% increase should have been distributed as wages. The District felt otherwise and believed that its package increase of wages and a 29.6% increase constituted a proper offer.

In noting Table IX above, the arbitrator finds that the District's payments for insurance are generally lower than the payments in comparable districts, and therefore insurance payments for 1992-1993 though higher by 29.6% are not out of a comparable range with other districts, even though they may contribute to a package increase.

Other positions of the parties on how insurance relates to the issue here will be recited in the next section, Section XIV.

XIV. **TOTAL COMPENSATION.** The Board's package information is listed in Exhibit 8 from which the following table is abstracted:

Table X

AVERAGE TOTAL PACKAGE INCREASES (WAGES PLUS BENEFITS) FOR 1992-1993
IN COMPARABLE DISTRICTS FOR RETURNING TEACHERS

<u>District</u>	<u>\$</u>	<u>%</u>	<u>Rank</u>	
			<u>If Parkview Bd. Prevails</u>	<u>If Parkview Union Prevails</u>
Big Foot	2,752	5.8		
Broadhead	2,775	6.28		
Clinton	2,909	6.66		
Edgerton	3,125	6.93		
Evansville	2,843	6.49		
Parkview Bd.	3,123	7.21		
Parkview Union	3,426	7.93		
Turner	3,088	6.48		
Palmyra Bd.	2,833	6.55	4	4
Palmyra Union	3,267	7.55	2	1

This information as far as percentages is generally corroborated on Association Exhibits 60-66, but that there is a letter (Assn. Ex. 64) that the costing at Parkview is remote from reality due to a 5 year agreement.

Since average total package increase is not the same as average total compensation, the arbitrator developed the following table of average teachers' salaries for the comparable districts from Board Exhibits 18A to 18I:

Table XI

ESTIMATED AVERAGE TOTAL COMPENSATION PER TEACHER
FOR 1992-1993 IN COMPARABLE DISTRICTS

<u>District</u>	<u>FTE</u> ¹	<u>Total Salary</u>	<u>Aver. Salary</u>	<u>Total Compensation</u>	<u>Aver. Total Comp.</u>
Beloit Turner Walworth	73.633	2,872,791	39,015	3,738,782	54,066
(Big Foot)	34.1375	1,306,472	38,271	1,706,071	49,976
Brodhead	84.25	2,964,972	35,192	3,956,060	46,956
Clinton	82.6	2,878,186	34,845	3,846,642	46,569
Edgerton	131.75	4,634,103	35,173	6,355,103	48,236
Evansville	101.8	3,522,906	34,606	4,751,944	46,679
Parkview (Orfordville)	89.2185	3,097,187	34,715	4,145,817	46,468
Palmyra-Eagle	95.324188	3,234,491	33,932	4,395,548	46,111

1) The FTE given is for various years from 1990-1991 to 1991-1992. The arbitrator in the above table assumes no major changes which would greatly skew the results.

Position of the Association Summarized. The Association argues that the real issue in this case is salary and not an elusive figure known as total package. The Association asserts that the insurance carrier had told the parties that a projected insurance increase for 1992-1993 would be 28% and they based their costing on that projection. However the carrier subsequently increased the cost to 42%, but subsequently reduced it to 29.6% when the Association agreed to a pre-admission review requirement known as the Advantage Program. The Association said that its agreement to the review was a concession not now recognized by the Board.

The Association contends that the District assured the Association that the savings of over \$3500 per month if the Association would accede to the change would result in more dollars on the salary schedule. When it became evident the District was not using the money it had saved to put on the salary schedule, the Association resorted to arbitration.

The Association argues that its offer is more comparable to the average salary increase in the comparables. The Association average increase of \$1,748 is \$109 less than the average salary increase. Its percentage increase is -.02% less than the average percentage increase. The Board offer is \$438 less than the average increase and its percentage change is 1.05% less than the average percentage change.

The Association acknowledges that there is a difference in its costing method from that of the District, since the District includes non-union employees filling positions covered by the bargaining unit. But even if the Board's costing is accepted, the Association offer would be \$74 less than the average salary increase with an .09% amount below the average percentage increase.

The Association also argues that its salaries are closer to average benchmark salaries, exceeding the averages only at the BA Maximum. It argues however that its offer is moving the Palmyra-Eagle wages closer to the average, while the Board offer continues to cause wages to erode.

The Association also is arguing that a catch-up situation exists because Palmyra-Eagle salaries are far below the average.

The Association is contending that total package, although one measure of response, is not the best measure. There is an inconsistency among the districts as to what makes up the total package. In this case there is a difference as to the District's inclusion of non-bargaining unit members. The evidence submitted does not show whether costs in respective districts are consistent with the District's method of costing.

The Association asserts that to use the total package comparison is not appropriate when a re-opener only on wages is being considered, and cites Arbitrator Kerkman in Manitowoc (6/13/84) to this effect.

The Association, however, is contending that its concession on insurance should be given substantial weight. The Association, noting the administrator's testimony, that the District salary offer would have been much lower without the concession, wonders how much lower the District offer could have fallen in view of its below average package of increases.

Through the Association concession, the District is having an annual savings of \$42,000. If the Association offer which costs \$31,362 more than the District offer, the District will enjoy a savings of almost \$11,000.

The Association also maintains that assuming that the total package is an appropriate comparison, even then the Association offer is the more comparable. It supplied in its brief information from which the following table is abstracted to make its point.

DATA FROM ASSOCIATION TABLE III

	Package Costs			
	1991-1992		1992-1993	
	<u>Total \$</u>	<u>%</u>	<u>Total \$</u>	<u>%</u>
Average of 7 comparables	2,753	6.52		
6 comparables			2,918	6.51
Palmyra-Eagle (Difference)	2,338 -415	5.85 -0.67		
Association (Difference)			3,160 242	7.47 .96
Board (Difference)			2,833 - 85	6.55 .04

The Association says that the District wants full credence given to its total package in the second year while ignoring the first year of a two year contract. When both years are considered together for average total package increases, the following is the result for six comparables and Palmyra:

TWO YEAR AVERAGE TOTAL PACKAGE INCREASES

	\$	%
Average 6 comparables	2,836	6.55
Palmyra-Eagle Assn. (Difference)	2,749 (- 87)	6.66 (+0.11)
Palmyra-Eagle Bd. (Difference)	2,586 (-250)	6.20 (-0.35)

The Association contends that it did not agree to use the total package concept for the second year of the current agreement, and this is shown in the fact that the blanks on the salary schedule showing the index only for 1992-1993 were not filled in. Further, for the District to insist on considering only factor "h" in the statutory requirement for arbitrators is a serious departure from arbitral criteria and public policy.

The Association asserts that its offer does reflect the increase in insurance cost. The Association made a concession to bring the impending increase down from 42% to 29.6%.

The Association rejects the arguments of the District that it should not advance in rank because this would be leap-frogging. The Association states that the District is suggesting that the Palmyra teachers must continue to be paid below average in order not to improve rank, since some district has to be on the bottom.

The Association also states that it made its concession on the review on the Board's indication it would use money thus saved to be placed on the salary schedule.

District Position Summarized. The District asserts that under its proposal the Palmyra-Eagle teachers will receive the second highest salary increase among the comparable districts, over a three year period ending with the 1992-1993 school year. The District total package of 6.55% compares favorably with the average of the comparables at 6.44% while the Association offer far exceeds all other comparables.

The Board's offer reflects the parties' agreement since 1989 to recognize and maintain the integrity of the bargaining on the basis of total package taking into account the impact of such major factors as health insurance costs. The Association is now renegeing on a prior agreement without justification.

The Board asserts that in 1989 the parties negotiated an agreement covering the 1989-1990 and 1990-1991 school years and estimated increases in health and dental premiums and came up with a package settlement of 7.9%. The parties placed in the 1990-1991 contract language which set a package increase of 7.9% as a goal for 1990-1991 and that if the health and dental premiums increased, the salary schedule would be reduced to reach the 1990-1991 goal of a 7.9% package increase. The health and dental insurance premiums did increase and so the negotiated salary schedule was reduced in order to reach the 7.9% goal. The base of the schedule therefore was reduced from \$19,205 to \$19,173.50, and the balance of the schedule reduced proportionately.

According to the District in 1991 the health insurance rates for the 1991-1992 school year for Palmyra-Eagle decreased 8.93% so that the parties agreed to a 1991-1992 salary increase of \$2,206 per teacher which was above the conference average by \$502, and the total package settlement was 6.11%.

The parties agreed to a reopener for the 1992-1993 school year on salary schedule and calendar, and included language from the 1989-1991 agreement that the settlement would reflect package cost of health insurance premiums. In 1992 the health insurance costs increased 29.68%. The parties were unable to reach an agreement on salary. The Board then provided for a salary increase of 4.48% and a total package cost of 6.5%, and the Association offer came to a salary increase of 5.59% and a total package increase of 7.55%. The conference average for six settled districts was 6.44%.

The Board is arguing that its offer is more comparable to conference average package settlements. It says that the parties have agreed on a total package approach to bargaining, and this is in evidence by the Addendum to Appendix A-1 of the 1990-1991 salary schedule which was derived from a previous agreement. The salary base was reduced to adjust for the agreed upon total package increase.

In 1991-1992 the parties agreed to a total package increase which however produced a 7.48% salary increase, because of the health insurance premium decrease of 8.93%. This 7.48% salary increase generated a dollar increase of \$2,206, which was higher than the average of seven other conference districts by \$502. The District thus lived up to its commitment of total package approach.

In the current re-opener the Board's 6.55% total package offer reflects the 29.68% insurance premium increase while the Association's total package of 7.55% ignores the insurance increase and total package approach the parties had agreed to.

The Board says that this total package is more comparable to the conference average than is the Association offer. The Board's offer of a 6.55% increase is more than a tenth of a percent higher than the average settlement and places Palmyra-Eagle teachers 3rd. The Association offer of 7.55% exceeds that average settlement by 1.11%. The total package per returning teacher of the Board is within \$80 of the conference average settlement or 97% of average. The Association offer of total package at \$3,257 exceeds the conference average by \$352, which is 112% above average.

The District holds that the Association total package cost is exorbitant and a rejection of the parties' prior agreement on package. The Association has concentrated on salary comparisons, but it had previously agreed that the parties' settlement will be terms of a total package picture, taking into account insurance cost changes. The District has lived up to its part of the bargain in the first year, but the Association is not now reciprocating. The District absorbed a health insurance increase of 29.68%, and the Association is now refusing to honor its part of the bargain. The Association has not justified itself on the proposed change.

The Board also asserts that its proposed salary increase provides the teachers with the conference's second highest increase in salary over the last three years. Under the Board's 1992-1993 salary offer, the Palmyra-Eagle teachers will rank second out of seven districts in average salary increase. The Association proposal will rank them first giving them \$549 more than the average of six other districts.

The Board's salary schedule results in a percentage increase which is above the average of six settled districts for six of seven benchmarks. The Association has included a comparison, "schedule maximum"; however the Palmyra-Eagle schedule ends at MA plus 24, whereas two districts have MA plus 30. When the MA plus 24 step is used in calculations at these latter districts, the Board proposed increase of 3.32% at the level compares favorably with the recomputed conference average of 3.47%.

An Association argument for catch-up is undermined by its own exhibits. In 1991-1992 the average Palmyra-Eagle teacher earned \$51 more than the average in six other districts.

The Association position that benchmark comparisons warrant an increase is not sustained by the evidence. In four years of voluntary agreements first under the Eastern Suburban Conference, Palmyra ranked in the lower end of the comparison, and all this was through voluntary agreement. In the 1991-1992 voluntary settlement, the parties maintained the status quo in rank at every benchmark. Now the Association offer would produce leap frogging, and it has no justification for it given its historic low relative ranking. Leap frogging of one district produces a demand for leap frogging in other districts and should be avoided where there is no evidence of increased turnover of teachers, or change in circumstances. The Board proposal does not cause the Palmyra teachers to lose rank in any benchmark. The District notes that in the parties originally negotiated salary schedule, Palmyra-Eagle would have advanced one rank at the BA plus 7 step but through the agreement to maintain the integrity of the total package, the salary schedule was reduced to account for the health insurance increase.

The Board emphasizes that it considers the Association to be reneging on its agreement to consider total package and insurance modifications while the Board had done so. The Board asserts that it did not agree to using the money saved by a reduction in insurance costs from 42% to 29.6% to increase wages. The Board made it clear that an acceptable package figure for the 1992-1993 school year would not be affected by an insurance change. The Board had not committed to a package figure or even was asked to do so. As testified in the hearing, the Board's total package figure was about 4% prior to the review feature being included in insurance, and then the Board increased its offer to 6.55% for the package. This figure exceeds the conference average. The only position of the Board was the less spent on insurance, the more that would be available for salaries.

The Board rejects the idea that the Association made a concession in this matter. The reduction of the insurance made more money available for salaries, and the Board then raised its total package with a salary increase over its originally intended offer.

The Board asserts that its three year total package increase provides an increase \$75 above the conference average. The Association by concentrating on the 1992-1993 offer is renegeing on its prior agreement and is attempting to focus the attention away from the much higher average increase in its offer.

The District not only challenges the Association catch-up argument, but says its benchmark statement does not support its offer. The benchmark use is invalid because of changes made in other districts and no showing was made that they equate in anyway with the Palmyra-Eagle benchmarks. This is particularly true in the case of Walworth UHS which went from 20 steps to 10 steps.

Discussion. Several matters of comparison and policy are interwoven here and need to be addressed. The first to be looked at is the argument of the Association that nothing else here should be considered except salary, and this is a re-opener on salary only. In addition to what he has said on this subject in Section X foregoing, the arbitrator is also of the opinion that even though the matter is one of salary only, yet because of prior history and because of methods of calculation of total compensation, as well as total package, the matter of salary as related to the other factors arbitrators are to consider must be taken under view, especially as to total compensation.

Here the arbitrator makes a distinction between "total compensation" and "total package" as the latter term is used here by the parties. "Total package" as used by the parties includes the cost of average increases in salary and benefits and is therefore not the same as "total compensation" which includes the value of total salary and total benefits. A higher average total package increase percentagewise may not necessarily mean a higher ranking in total compensation if the original rank in total compensation is low. A dollar increase on a lower base will produce a higher percentage than the same dollar increase will on a higher base. Total package increase therefore while of some value does not reveal the amount of total compensation or total compensation comparability.

From this point of view then the arbitrator looks first at the dollar amounts of Palmyra-Eagle offers. As previously indicated, Table IV foregoing indicates that Palmyra-Eagle salaries are low at certain comparable benchmarks. The question then is whether a catch-up or keeping-up is indicated at these benchmarks. To answer the foregoing question the arbitrator has to address the question of whether the historical status of Palmyra-Eagle at the low end of the comparables is justified and should be maintained.

The matter of keeping a district in low rank because it has generally been there historically may at times have merit depending on a wide range of conditions, such as the ability of the district to pay a higher cost. In this matter, however, the stronger principle is that of maintaining comparability in base wages. The arbitrator is of the opinion that here the Association has made the stronger case, not so much for catching up as for keeping up in comparability. The offer of the Association is more comparable in attempting to maintain the salaries of returning teachers than the District offer, as shown in Table VI.

Now the question as to average total package increase, average total wages and benefit increases, must be considered. There is a contention by the Board that the parties in the last two bargainings agreed on a package approach, namely an approach which would consider increases only, as compared to resulting total compensation. The District asserts that the parties agreed to this in the 1991-1992 agreement, and notes the following language found in the 1991-1993 Agreement in Appendix A-1 on page 27:

"This schedule is tentatively agreed to, based upon health insurance premium rates of \$ (blank) for a family and \$ (blank) for a single premium, and dental insurance premium rates of \$ (blank) for a family and \$ (blank) for a single premium. Should health or dental insurance premium increases either exceed or fail to meet these estimates, the salary schedule will be reduced or increased accordingly to maintain a total package increase percentage of (blank) percent for 1992-93."

As the arbitrator views this language, its failing is that the blanks were not filled in either as to the insurance premium rates anticipated or as to the target of the total package percentage increase. There is nothing to say that the total package percentage increase was to be that of either the District or the Association. Thus the matter of filling in the dollar amounts in the salary schedule on page 27 which has the salary index figures left open would be subjected to proposals found in the offers on base salary, and both parties could argue as they do here that they took into consideration insurance costs in arriving at what they finally proposed.

As to whether the Association committed itself to the total package approach and the comparability of its offer under that approach to the average in the conference, the Association asserts that it agreed to a concession on the insurance program when the District assured it that the dollars thus saved would appear on the salary schedule. The arbitrator is of the conclusion that there was no precise understanding between the parties as to what the other party was proposing on the salary schedule, the Board proceeding under the view that it would stay with the package approach and the Association with the view that it would pick up some of the dollars saved by its insurance concession. Thus for this arbitrator the matter comes down to considering comparable salary offers and resulting total compensation.

As noted earlier, under salary comparability the evidence is that the Association offer is more comparable in actual dollars taken home for salary only.

As for total compensation (as differing from total package) the arbitrator has developed from the exhibits of the parties a table of total average compensation of teachers in the Palmyra district as compared to average salary among comparables. Table XI, despite a variation in data on base year for FTE, is illuminating in showing figures for total compensation per teacher. Palmyra-Eagle is in the lower range.

Of course average total compensation per teacher does not take into consideration the location of teachers on the salary grid, but then neither does the concept of total package. Both lump together the teachers at the top of their schedules and those moving through the steps to determine an average of compensation without defining specifically which teacher is getting what kind of dollar and percentage increase.

From the foregoing discussion, the arbitrator is of the opinion that while the District offer is the more comparable in total package increase, the Association offer in actual dollars paid both for salary and total compensation is the more comparable.

XV. COST OF LIVING. Board Exhibit 15 gives information on the change in the Consumer Price Index for All Urban Wage Earners and Clerical Workers (CPI-W). The Board uses the period from June 1991 to June 1992 to measure the change. The index went from 131.0 to 135.6 during this period, a change of 3.5%.

The Association in its Exhibit 67 supplied a consumer price index which was described as "NEA/RCN Consumer Price Index (CPI) System." This exhibit supplied information on a change from September 1991 to September 1992 which amounted to 2.9%. Under this latter system, June 1991 to June 1992 represented a change from 134.1 to 138.1, or a change of 3.0%.

The Association is arguing that the pattern of settlements in comparable districts really determines what the changes in the cost of living are rather than adherence to the Bureau of Labor Statistics. This conclusion is not valid in the opinion of the arbitrator. Settlements may reflect a strength in general bargaining position of one or the other of the parties, and not necessarily be related to changes in actual living costs. A comparison with the CPI indexes is valid.

The Board's offer with a total increase of about 5.6% more nearly meets the changes in the cost of living than does the Association offer of about 7.5%.

XVI. THE INTEREST AND WELFARE OF THE PUBLIC AND THE FINANCIAL ABILITY OF THE UNIT OF GOVERNMENT TO MEET THE COSTS. Board Exhibit 7 supplied information on comparative data related to Rock Valley Athletic Conference Schools. The equalized value at Palmyra was \$182,610,044 or third highest. The highest valuation was \$703,765,158 at Big Foot with Edgerton second at \$259,599,873, and the lowest being Brodhead at \$132,469,226. The equalized value per student at Palmyra was \$143,674, 4th in rank and the mill rate of 19.59 was 3rd in rank where the highest was 21.63 at Parkview and the second highest, 20.97, at Beloit Turner.

Association Exhibit 81 showed that Palmyra-Eagle with an average 1989-1990 income of \$26,323 had the second highest income in the district for reporting units, and was exceeded only by the income at Beloit Turner of \$27,549. In 1990-1991 the Palmyra-Eagle average income for reporting units was \$27,808, a figure again exceeded only at Beloit Turner.

The evidence is that the District has the ability to meet the Association offer. However the District is contending that it should not do so on the grounds of its total package offer and the previous history of using such a type of settlement for comparative basis with other districts. The Association is contending that its offer provides an increase slightly below average in the RVAC and is therefore sensitive to the current economic situation while being responsive to the needs of Palmyra-Eagle teachers. It holds that it is in the public interest to continue its modest upward movement or a large gap will appear in the future.

Discussion. The evidence is that the District can meet the costs of the Association offer. The arbitrator believes that the Association offer on salary alone meets the public interest because of a lag being gradually removed.

The problem of greatly increasing insurance costs and how these should be recognized in total compensation however remains. As noted earlier, however, the District insurance costs are not greatly higher than insurance costs in other districts, which likely also had increased insurance costs. The net effect of comparability on total compensation for average teachers does not put the Association offer out of range, as noted in Table XI foregoing. The arbitrator therefore believes that the public interest and welfare will be supported by having the teachers' salary grid comparable to those in comparable districts.

XVII. OTHER FACTORS. The main other factor normally taken into consideration here is in the issue raised by the District that the Association agreed previously to a method of linking salary and insurance costs. Both sides, as noted, have contended that the other party reneged on a previous agreement and commitment. This matter however has been considered in Section XIV foregoing where the arbitrator held that the failure of the parties to put into actual numbers in a draft statement in the left open section of the 1991-1993 agreement left it open ended, and the opportunity was afforded to the parties to interpret the agreement in their own way.

XVIII. SUMMARY AND CONCLUSION. The following is a summary of findings of the arbitrator and a conclusion:

1. There is no issue here as to the lawful authority of the District to meet either offer.
2. The parties are operating under an agreement which extends from 1991-1993 and has a re-opener only on wages, but differ as to whether a concept of "total package increase" limiting wage offers was also agreed to.
3. The parties agree that the Rock Valley Athletic Conference districts are the comparable districts.
4. The costing of the District is more accurate because it includes all the positions covered by its agreement with the Association even though Association members do not fill all the positions available under the agreement.

5. In the matter of wages only, the Association offer on scheduled wages is more comparable to conditions in comparable districts than the District offer.

6. As to comparison of Palmyra-Eagle offers with compensation for employees in other public employment, the District offer, based on a single example only, is the more comparable in percentage increase.

7. The parties did not address the matter of comparison of offers with compensation of employees in private employment.

8. As to benefits in insurance, the District, although paying a 29.6% increase, is paying in benefits a sum not out of the range of comparable districts.

9. In the matter of total compensation, although the District offer is the more comparable in "total package increase", the Association offer in actual dollars paid for "total compensation" is the more comparable.

10. In cost of living index changes, the District offer is the more comparable.

11. The arbitrator concludes that the District has the ability to meet the cost of either offer, and that the Association offer supports the public interest and welfare by having a teachers' salary grid comparable to those in comparable districts.

12. As to other factors, both sides contend that the other party is reneging on some previous agreement, the District contending that the Association agreed to a total package approach, and the Association that the District agreed to return dollars saved on an insurance estimate reduction to salary. The arbitrator finds that the parties by not filling out blanks in a statement in the 1991-1993 agreement relating to a target percentage increase left open the opportunity to either party to interpret the agreement in its own way.

13. There were no other changes during the pendency of the issue which the arbitrator found needed to be taken into consideration.

The conclusion here is that the Association offer because of its greater comparability in salary offers to the other districts, and because its offer does not produce a total compensation out of the range of total compensation in other districts despite the raise in insurance costs, is the more comparable. Hence the following Award:

XIV. AWARD. The offer of the Palmyra-Eagle Education Association shall be included in the 1991-1993 agreement between the parties as far as salary schedule for 1992-1993 is concerned.



Frank P. Zeidler
Arbitrator

Date January 23, 1993
Milwaukee, Wisconsin